IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO.71 OF 1996

The Commissioner of Income-tax ..Applicant.

V/s.

M/s.Shri Ram Tyre Works ..Respondent.

Mr.A.S.Rao for applicant.

Mr.P.Y.Vaidya for respondent.

CORAM : V.C. DAGA AND J.P.DEVADHAR, JJ.

DATED : 28TH MARCH, 2005.

P.C. :-

1. In this reference, the question referred for the opinion of this Court reads as under :-

> "Whether on the facts and in the circumstances of the case, the Tribunal was right in law in holding that the assessee, engaged in retreading, resoling and remoulding of worn-out tyres is entitled to investment allowance u/s.32A of the I.T.Act, 1961 ?"

2. The Counsel for both the sides agree that the above question referred by the Tribunal may be answered in terms of the Apex Court Judgment in the case of **Tamil Nadu State Transport Corporation Ltd. V/s. Commissioner of Income Tax [(2001) 252 I.T.R.883**. In this view of the matter, the question is answered in the negative i.e. against the assessee and in favour of the revenue. The reference stands disposed of accordingly with no order as to costs.

(V.C. DAGA, J.)

(J.P.DEVADHAR, J.)